



P.1 ORGANIZATIONAL DESCRIPTION

The Department of General Administration (GA) is responsible for supporting the operations of Washington state agencies, boards and commissions as well as city and county governments, school districts, colleges and universities, and many non-profit organizations.

P.1a(1) Products and Services. GA provides many services including the following:

- *Goods and services contracting* – Manage contracts for goods and services on behalf of over 720 public entities; spending nearly \$1 billion biennially, which represents about 7% of all state contracting activity.
- *Consolidated Mail services (CMS)* – Pick up and deliver mail for 104 state agencies, processing more than three million pieces monthly.
- *Public works contracting* – Manage an average of 425 construction projects worth over \$600 million each biennium on behalf of 50 state agencies and colleges.
- *Real estate services and property management (RES)* – Serve as landlord for about 5% of the state's owned facilities. About one-half of our total agency revenue comes from rent payments. GA also negotiates state more than 1,100 leases for state agencies in privately-owned facilities throughout the state.
- *Surplus goods and property* – Manage an array of surplus programs for materials, equipment, food and real property.
- *Motor Pool (MP)* – Rent and maintain 11% of state-owned passenger vehicles, including a daily-rental pool of roughly 150 vehicles.
- *Facilities operations and maintenance* – GA maintains 50 buildings and 485 acres on the Capitol Campus in Olympia, including the capitol, the governor's mansion, four parks and the 260-acre Capitol Lake. The grounds house 10,000 public employees and host, on average, 600,000 annual visitors.
- *Office supply/inventory management* – Operate a central stores warehouse on behalf of 655 state and local agency customers where they buy office supplies from us at a reduced rate.

GA's biennial budget of approximately \$181 million is split almost evenly between operating and capital. Although GA is an executive branch agency and receives some money from the state's general fund, 96% of operations are funded through fees the agency charges. We collect these fees from customers in the following ways:

- *Fee-for-service* – General Administration provides a range of services, such as custodial, building maintenance and facility management, for state-owned buildings on a reimbursable basis.
- *Subscription service* – Public agencies can use the hundreds of contracts for goods and services managed by GA's Office of State Procurement (OSP) by paying a fee to become a member of the State Purchasing Cooperative.
- *Non-discretionary* – GA charges rent and parking fees to all state agency tenants on the Capitol Campus.

We deliver these services through walk-in counters in our offices; Web and online venues; on-site technical assistance; warehouse facilities; two motor pool centers; hosting meetings and vendor shows; telephone; and in-person meetings.

P.1a(2) Organizational Culture. GA's organizational culture is as diverse as its services. We operate more than 20 different services from mowing lawns, to preserving historic buildings to refuse collection. We acknowledge that many of our services are run independently and sometimes lack overall coordination. Management encourages and supports employees in personal and professional development through mentoring, education, training and an increased emphasis on annual performance plans to help ensure the attainment of the agency's goals and objectives.

Purpose: The Legislature created GA in 1955 to serve as a central support agency for state government.

Vision: We are a high-performing central services agency delivering excellence in strengthening government's ability to achieve results efficiently and effectively.

Mission: We work together to help our customers succeed.

Values:

- **Leadership** – We provide statewide leadership in central-service programs and policy.
- **Collaboration** – We work in partnership with each other to produce solutions.
- **Accountability** – We honor our commitments and are accountable to the citizens of Washington.
- **Foresight** – Business principles guide us in fulfilling government responsibilities.
- **Stewardship** – We are effective stewards of our state's resources and assets wherein sustainability is a priority.
- **Integrity** – We express respect, honesty, professionalism and ethical conduct.
- **Partnership** – Our stakeholders and employees are critical to our mutual success and we engage them.

P.1a(3) Workforce Profile. GA has 573 permanent and 107 non-permanent employees. The breakdown is as follows:

Diversity information	GA	State of Washington
% Female	35%	52%
% Disabled	7%	5%
% Vietnam Vet	9%	7%
% Disabled Vet	2%	2%
% People of color	22%	18%
% Persons over 40	82%	75%

- **Educational levels:** 26% of GA's workforce holds higher education degrees; 18% hold bachelor's degrees, 4% hold master's degrees, 3% hold associates degrees, and four employees hold doctorate degrees. Another 15% hold



professional licenses/certifications. Employees range from those with advanced degrees for engineering, architecture and contract development to trade-oriented crafts. Specific health and safety requirements are listed in P.1a(5).

- *Organized bargaining units:* 41% are in positions covered by a collective bargaining agreement.
- *Use of contract employees:* GA regularly hires retired state and private employees for projects on an annual, intermittent and non-permanent basis.
- *Employees with English as a second language:* A number of employees scattered throughout GA are immigrants for whom English is not their first language.

P.1a(4) Technologies, Equipment and Facilities.

Technology

GA's network infrastructure provides secure connections to the Internet, Intranet and state telecommunications networks that enable the department to easily interact with other state agencies. The network also connects GA staff at six remote sites from Tumwater to Sedro-Woolley, eight campus locations and at the headquarters office in the General Administration Building. We are linked with other state agencies for electronic communication by using the Microsoft Office suite. We are also participating members of the Enterprise Active Directory, which allows access to a common directory of email and phone numbers for most state employees.

The agency's Information Systems program supports the servers, infrastructure, and 612 agency personal computers used by 680 employees. We also use a mix of off-the-shelf and custom developed software for a variety of business functions, such as a software application to run an automated building management system in 23 Capitol Campus buildings. This system controls security; fire alarms; sprinklers; heating and air-conditioning systems; emergency generators; automated building controls; door locks; and cardkey access operations.

Equipment

- Motor Pool fleet of 1,604 vehicles.
- Seven mail metering machines and four mail inserters.
- Several dozen pieces of maintenance and heavy equipment, such as forklifts, mowers, tractors, sweepers, and brush chippers.

Facilities

We provide property management, owner representation, and maintenance operations for 85 state-owned buildings, most of which are in Thurston County.

P.1a(5) Regulatory Environment. As a central services agency, there are state and federal laws that govern our work such as procurement and contracting laws, financial and environmental regulations for land use and building construction that directly affect GA. As a state agency, we comply with public disclosure laws, civil service laws and associated union contracts.

Several health and safety requirements cover our employees. All GA employees are covered under Washington Industrial Safety and Health Act regulations, American with Disabilities Act federal regulations, and the Family and Medical Leave Act. Workers in certain job classifications are required to attend training in one or more of the following areas, compatible with the employee's job duties and responsibilities:

- Chemical hazard communication training
- First aid/cardiopulmonary resuscitation training
- Hazardous energy control (lock-out/tag-out) program
- Forklift driver safety certification
- Defensive driving program
- Personal protective equipment

P.1b Organizational Relationships

P.1b(1) Organizational Structure and Governance System.

GA is a cabinet agency. The governor appoints the director. We are organized into three divisions:

- ***Facilities*** - Buildings Grounds (B&G) and Real Estate Services; Engineering and Architectural Services (EAS); Facilities Operation; and Facilities Planning and Policy.
- ***Services*** - State Procurement; Central Stores; Surplus Programs; Food Programs; Mail Services; and Motor Pool.
- ***Administrative Services*** - Human Resources; Financial Office; and Information Systems.

Group	Role
GA Senior Management Team	Consists of the director, deputy director and the assistant directors of the three divisions and the executive assistant to the director. They set strategic and long-term policy goals. The team meets weekly.
GA Management Team	Deals with more day-to-day operational issues and provides advice to the Senior Team on policy issues. Includes the Senior Team and certain division and executive-level managers.
Legislature	Senate Ways and Means, House Appropriations, and the House Capital Budget Committee all provide oversight on our projects, budget, and results.
Office of Financial Management	This is the budget office of the governor. We submit our budget, strategic plan, financial information, and performance data to this office.
State Capitol Committee	GA must get approval from the State Capitol Committee for the acquisition, disposal, design and construction of all new permanent and temporary buildings on the Capitol Campus and elsewhere in Thurston County.

Figure P.1b Organizational Structure and Governance System

P.1b(2) Key Customer and Stakeholders. As a central services agency, GA's key customers are 750 public entities. Additionally, key customers include businesses that contract with the state to perform services or to provide goods. Key stakeholders include regulatory bodies and the general public.

Key Customers and Stakeholders	Key Requirements
State agencies; federal government and other states; educational institutions; political subdivisions; and non-profit organizations	<ul style="list-style-type: none"> • Consistency • Responsiveness • Good, timely communication • Strong working relationships • Competitive prices • Timeliness
Businesses	<ul style="list-style-type: none"> • Access to contracting system • Awareness of contracting opportunities • Easy-to-use system • Fair and competitive process • Reduce costs of doing business with the state
OFM, Legislature	<ul style="list-style-type: none"> • Integration of agency-level initiatives with state's overall strategic direction • Accuracy • Competency • Responsiveness • Fiscal prudence • Consultation on impacts of major projects and activities
State Auditor's Office	<ul style="list-style-type: none"> • Access to conduct performance audits and compliance audits • Responsiveness • Accuracy
Organized labor	<ul style="list-style-type: none"> • Prevailing wages • Apprenticeship

Figure P.1b(2) Key Customers and Stakeholders and their Requirements

P.1b(3) Suppliers and Relationships. Suppliers are important to the success of several of our key processes. Distributors play a lesser role as GA tends to act as a distributor for many services. However, certain programs, such as Consolidated Mail Services, depend on distribution partnerships. Through various advisory boards, contract negotiations, adapting to changing regulations in both the public and private realms as well as general daily interaction, these entities play important and evolving roles in helping to guide decisions about agency innovations.

Many of GA's supply chain requirements reflect the same expectations our customers have for our services. This includes competitive pricing from suppliers and distributors to encourage efficient use of tax dollars. Also important is timely response, adequate variety of services offered to fit varying state needs, and competent, helpful representation.

Key Work Processes	Suppliers and Partners
• Goods and services contracting	<ul style="list-style-type: none"> • Service vendors • WSCA states
• Mail services	<ul style="list-style-type: none"> • Parcel carriers • Third-party mail-houses • Postage accounting bank
• Public works contracting	<ul style="list-style-type: none"> • Architectural and engineering designers • Construction contractors • Construction suppliers
• Real estate services & property management	<ul style="list-style-type: none"> • Maintenance providers • Building owners • Developers • OFM • Lessors
• Surplus goods and property	<ul style="list-style-type: none"> • Contracted trucking firms
• Motor Pool	<ul style="list-style-type: none"> • Fuel suppliers • Auto parts suppliers • Vehicle maintenance shops (private and public) • Vehicle makers and dealers
• Facilities operations and maintenance	<ul style="list-style-type: none"> • Landscaping suppliers and equipment • Cleaning suppliers and equipment
• Supply/inventory management	<ul style="list-style-type: none"> • Office supply businesses • Paper manufacturers

Figure P.1b(3) Key Partner and Suppliers for our Key Work Processes

P.1b(4) Communication Mechanisms. Each GA program is responsible for communicating with its key customers, stakeholders, suppliers and partners on a regular basis. For example, CMS hosts quarterly customer meetings to discuss service-related matters as well as receive feedback. The B&G unit hosts a Facilities Services Advisory Board (FSAB) quarterly with customers and key stakeholders (Washington State Patrol, Olympia Fire Department, other agencies). This forum provides a regular opportunity for B&G to receive feedback, develop partnerships and organize solutions to campus issues. RES hosts a monthly forum for lessors, developers and client agencies to exchange information and discuss issues. Additionally, customers, stakeholders and key business partners can provide feedback through an online system and through the program contacts assigned to them.

P.2 ORGANIZATIONAL CHALLENGES

P.2a(1) Competitive Environment, Challenges and Opportunities. State agencies are mandated to use many of GA's services, but this requirement is largely unenforced. In fact, several of our key business services can be obtained in the private sector, such as state surplus, custodial services, groundskeeping and the motor pool. Because more than half our operating revenue comes from these discretionary



services, we must keep our services and quality high with an appropriate price or our customers can go elsewhere. Challenges and opportunities are elaborated on in P.2.a(3) with specific examples of our key business processes.

P.2a(2) Factors of Success. The department's institutional knowledge of governmental processes provides the most distinct advantage over private groups, particularly in the area of developing contracts for goods and services. The department is able to take advantage of discounts, such as for vehicle purchases that typically are not available to private organizations.

Another competitive advantage is that our building and cleaning processes meet or exceed the criteria set forth for Leadership in Energy and Environmental Design (LEED™). As a result, facilities that we build and clean with this process will earn points toward a LEED Existing Building Silver Certification. This not only saves on energy costs, but also increases the value of the buildings.

The previous gubernatorial administration made a significant push for competitive contracting in Washington's central service agencies. GA had responsibility for developing and adopting the rules that apply to all of state government. While some direction may shift with new leaders, GA works to maintain its competitive edge by developing innovations in its core services.

P.2a(3) Sources of Comparative Data. For almost all of the services, there are private vendors that can provide the same offerings. In addition, other state agencies, school districts, higher education and local governments have built internal capacity for these central services, precluding the need to buy them through GA.

- **Custodial Services** – This service operates at a cost disadvantage because of state requirements to provide medical and dental benefits along with paid vacation and sick leave that exceed the offerings of most private custodial firms. A GA staff of about 102 custodians provides a full line of services on two shifts. We maintain nearly 3 million square feet of space for state agencies in Thurston County.

- **Refuse/Recycle** – Refuse collection services are only available from two entities in our area and recycling services are available from one major contractor, Pacific Disposal. Shredding services are available from at least two competitors, one of which is willing to drive from Tacoma to provide services. Access issues existing at Capitol Campus facilities and noise constraints in neighboring areas make it imperative that refuse and recycle collection service schedules remain flexible. Because our focus is on providing services to the Capitol Campus, we are able to maintain flexibility while providing regular, reliable service at competitive cost.

- **Central Stores and Surplus Programs** – We partner with the private sector to provide full acquisition-to-disposal services and office supplies to our customers. This is a deliberate business shift as our agency begins to merge two business functions. We dispose of surplus items for all state agencies and over 100 political subdivisions for at least 40% less than any of our competitors.

- **Motor Pool** – We provide vehicles at 68% of the commercial car rental rates. We have approximately 11% of state government's passenger vehicle market. Customers generally choose to use the Motor Pool because of cost, service and professional fleet management. This service competes against rental companies and state agencies that manage their own fleets. The Motor Pool compares its services and costs through professional organizations such as the: National Association of Fleet Administrators; National Conference of State Fleet Administrators; Public Fleet Managers Association; and Vehicle Maintenance and Management Conference. Financial and operations statistics are compared against private fleet competitors.

- **Office of State Procurement**– OSP collaborates with other state and local purchasing authorities to reduce redundancies, increase dollar volumes of contracts and meet the overall demands for products and services for customers. Primary competitors include school districts, higher education, hospitals, local government and other government purchasing cooperatives. OSP's rates are competitive with private associations and other state agencies. We compare our hourly service rates with those offered on contracts competitively bid for similar acquisition services. Our comparison found that the hourly service rate is 31% to 44% less than the private sector.

- **Consolidated Mail Services** – This is a medium-large scale service in relative size compared to other local mail houses. There are roughly a dozen competitors within a 60-mile radius of Olympia, though the largest competitors tend to be internal mailrooms and related functions within other state agencies.

P.2b Strategic Challenges

Business and Operational Challenges and Opportunities:

- Continuity in leadership: Changing gubernatorial administrations can dramatically impact strategic goals and priorities. This is compounded by the trend that a new governor will often appoint a different director for GA. As such, GA regularly has abrupt changes in direction, abandoning initiatives, piloting new ones and reorganizing based on changing leadership.

- Aging government infrastructure: As state-owned and managed buildings age, demand is increasing for better quality and more environmentally friendly buildings. As a result, many agencies have moved out of less expensive state-owned office buildings (such as the GA Building itself) and into more expensive but higher performing, better quality-leased



facilities. GA is pushing to reinvest in state-owned facilities to extend their useful life and provide more cost-effective alternatives for state agencies. We have a strong fiduciary ethic around designing and caring for state buildings and grounds, especially those with historic significance.

- Fiscal constraints: As our customers compete for resources, they also demand more cost-effective services. We must always be conscious about costs and providing an exceptional service and product to our customers. On the other hand, our customers who experience fiscal challenges themselves can yield an opportunity for us because customers may no longer want to operate their own service (e.g. trade in their agency car to use our Motor Pool). Fiscal constraints are both a challenge and an opportunity for us to perform better.
- Contracting: Although the Legislature established GA's procurement authority in the 1970's, a 2004 study showed 14 public agencies with regulatory control over some aspect of procurement. This creates issues with overlapping and uncoordinated statewide purchasing.
- Projecting proper image: We must overcome being viewed as a "technical" organization and demonstrate effectiveness at adaptive challenges. These challenges are those situations that appear technical but engage many communities and stakeholders. Information in 3.c outlines some of the ways this challenge is mitigated through customer and stakeholder outreach.
- Oversight of facilities activities: The Legislature passed Substitute House Bill (SHB) 2366 that improved facility oversight of real estate procurement and management practices for state-owned and leased space as well as establishing a facilities planning process that would more effectively determine long-term state facility needs.

Human Resources Challenges and Opportunities:

- Recruit new employees and retain existing employees – GA's employees that are eligible for retirement are employees with more than a decade of experience. The finance office has re-organized workloads to respond to supporting GA's programs and create career ladders to recruit new talent. GA also implemented performance standards, tied individual employee performance plans to essential business plan goals and objectives. This created an understanding that employees' day-to-day work adds value to the strategic direction of the agency and illustrates why six-year business plans and annual performance plans are essential to deploying the mission, vision and values with employees.
- Employee capability – Efforts are made in this area to ensure that employees have the knowledge, skills and abilities to carry out our agency strategic goals and program objectives. Succession planning is an important part of both our strategic plan and human resources business plan. GA has increased participation in college and community job fairs and is also working with the Higher Education Coordinating Board and Department of Veteran's Affairs to foster additional employment and training opportunities for returning military personnel.

- Manage effectively in a collective bargaining environment – In July 2005, GA started to implement the first sweeping collective bargaining legislation for state government. We are learning how to manage effectively within this environment that makes it both a challenge and an opportunity.

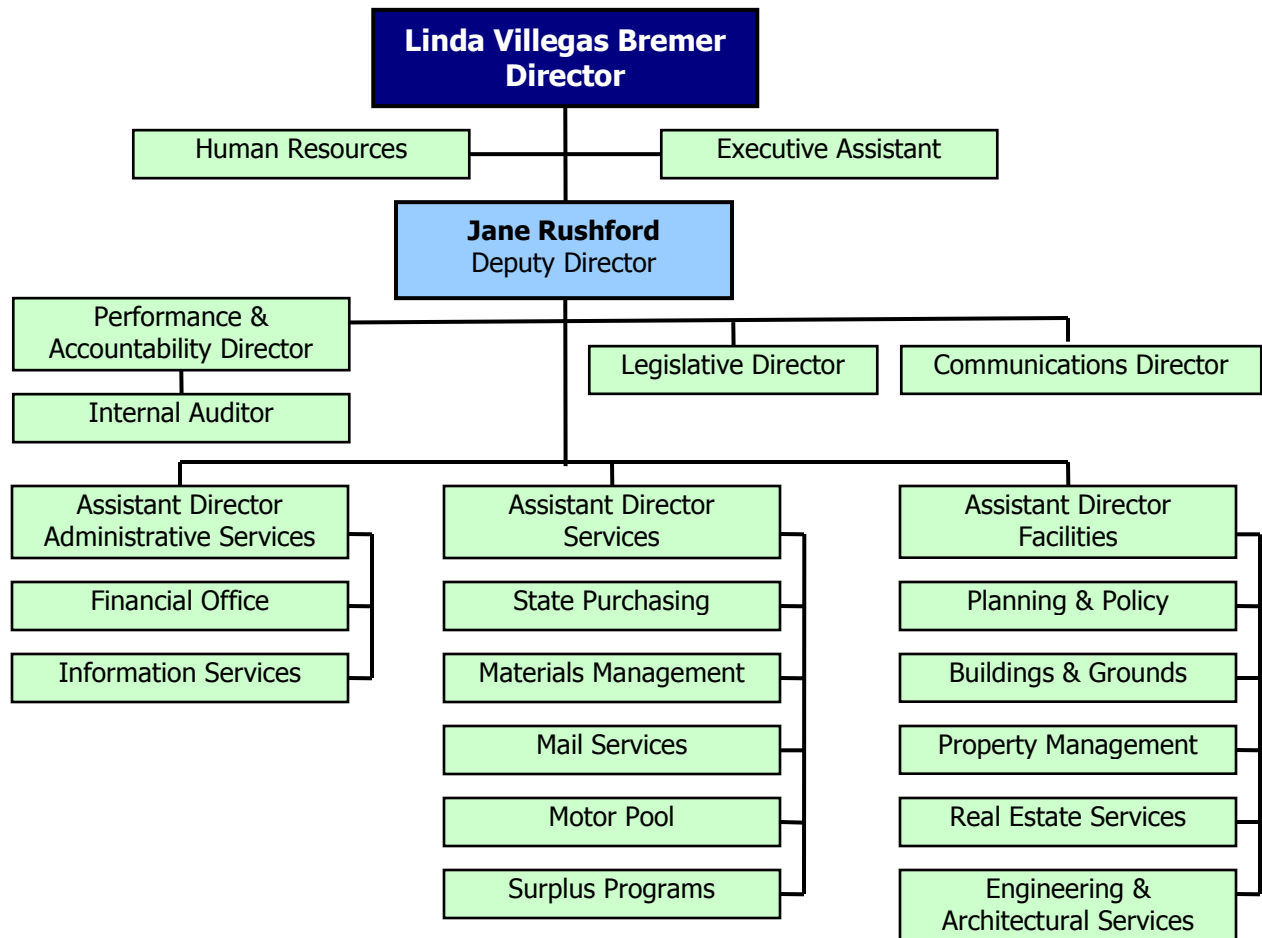
P.2c Performance Improvement System.

Our performance measurement system has been evolving for several years. Currently, we have an active Government Management, Accountability and Performance (GMAP) process, described in Section 4.a., that highlights different agency programs and key performance measures in a monthly forum where we discuss results and make decisions to spur improvements. We participate in special GMAP forums with the Governor's Office where our director reports regularly on agency performance, such as adoption rates of state contracts (see 7.1).

The director sets expectations and aligns the performance of our agency programs with the broader, strategic goals of GA and that of the governor. We report performance measures on a regular cycle to OFM. Agency managers and key employees review their performance measures at a program level and are expected to make improvements. In addition, for the past six years, we administer an annual self-assessment using the Baldrige criteria and then share the information with managers.

For several years, we had ongoing training and development activities on continuous improvement methods, facilitation, team development and quality tools. While there is no one designated approach to continuous improvement in the agency, managers use these skills and tools from the previous trainings in some of the programs as their performance improvement strategy. All program leaders are expected to improve and report on their work, regardless of the approach they take.

Employee performance feedback is another essential system we value. In 2006, 86% percent of our employees received their required annual evaluation. This two-part process includes feedback and setting expectations for the upcoming year. We consider this an opportunity for growth and development, as well as an evaluation process. Our training and development program uses the information gleaned from the annual evaluation process as well as our human resources staff working with program managers and supervisors to determine the training needs for the next year.





-B-

B&G – Buildings & Grounds

-C-

CMS – Consolidated Mail Services

-D-

DIS – Department of Information Services
DOC – Department of Corrections
DOT – Department of Transportation
DSHS – Department of Social & Health Services

-E-

EAP – Employee Assistance Program
EAS – Engineering & Architectural Services

-F-

FMMS – Facilities Maintenance & Management System
FSAB – Facilities Services Advisory Board

-G-

GA – Department of General Administration
GMAP – Government Management, Accountability & Performance

-H-

HR – Human Resources
HRMS – Human Resources Management System
HVAC – Heating, Ventilation & Air Conditioning

-I-

IDP – Individual Development Plan
IFMA – International Facility Management Association

-L-

LEED – Leadership in Energy & Environmental Design

-M-

MRS – Management Reporting System

-O-

OFM – Office of Financial Management
OS1 – Operating System 1 (“green” custodial program)
OSP – Office of State Procurement

-P-

PDF – Position Description Form
PDP – Position Development Plan
POSC – Plant Operations Support Consortium
PRT – Department of Printing

-R-

RES – Real Estate Services

-S-

SAO – State Auditor’s Office
SHB 2366 – Substitute House Bill 2366

-W-

WMS – Washington Management Service
WSCA – Western States Contracting Alliance
WSQA – Washington State Quality Award



1. LEADERSHIP

General Administration is a cabinet agency with the director reporting straight to the governor. The Governor's Office monitors and evaluates the performance of GA's senior leadership.

As a public service provider, GA leaders strive for efficient use of state resources and meeting customer needs by aligning service delivery with an overall strategic plan. Leaders intend to use a cascade approach to link the strategic plan to business plans and prioritized action plans (see 2.c). Action plans will be discussed in performance evaluations and expectation plans to reinforce the link.

The Senior Leadership Team consists of the director, deputy director, assistant directors for the divisions of Facilities, Services, Administrative Services, and the director's executive assistant. Traditionally, GA's leaders have focused on stewardship and service. This senior team added enterprise leadership and identified three themes to weave throughout the organization: relationships, business practices and results. These were built into the strategic plan and the planning process. Senior leaders communicate this to employees, customers and stakeholders through the agency Web site, GA events and distributed informational materials.

1.a Vision and Values. The mission, vision, and values P1.a (2) have endured changes in gubernatorial administration and executive appointments with relatively few changes and adjustments. There was widespread involvement by managers and supervisors in the development phase of the vision and value statements through organized "leadership retreats." The GA Management Team later finalized these statements. Executive leaders have largely been responsible for updating, communicating and refining the focus of these values and the vision. Recently, the director established a performance and accountability director position to align, coordinate and guide leaders in deploying the strategic plan and communicating the agency vision and direction.

The director established a list of leadership core competencies and set expectations on performance management. They are part of the evaluations for all managers and supervisors. Core competencies align with the values of the department and are embedded in our hiring practices and evaluation practices. See 5.b for the list of leadership competencies.

Efficiency and innovation are important parts of GA's value system and what leaders and employees strive for in their work. In particular, environmentally sustainable principles and practices are part of GA's operations, as well as what is offered to our customers. The governor asked GA to model its business practices and help lead state government in achieving sustainability goals. This included:

- Emphasize the need to institutionalize sustainability.
- Help implement the executive order on sustainability
- Shift to non-toxic, recycled and remanufactured materials in purchasing and construction

To demonstrate how GA manages this directive, the director asked senior leaders to get the diverse lines of business to work in concert with one another. For instance, EAS and OSP are guiding the public works construction of green buildings to the new level of lean construction combined with related contracts. Given that GA's purchasing and contracts represent nearly \$1 billion biennially in buying power for 720 public entities, purchasing sustainable products like recycled and chlorine-free paper makes a big difference. In addition, RES has ensured that all new leased buildings over 50,000 gross square feet will be LEED Silver Rated, a requirement met for all such buildings over the past four years.

Within four years, one-fourth of GA's workforce will be eligible for retirement. The majority are employees with more than a decade of experience, some of whom occupy senior-level positions. To respond to this need, GA's Financial Office is piloting a program that built a requirements course for employees to advance. Leaders play a key role in the development of new talent. This illustrates why six-year business plans and annual performance plans are essential to deploying the mission, vision and values with employees.

Leaders often communicate the agency's vision and values to key customers and stakeholders at various events and presentations. They are also posted on our Web site and in a number of publications. In addition, the director and other key management team members have involved employees in the shaping of the current vision, mission and values.

GA attempts to display positive community involvement and a helpful public face. Examples include providing tours of the Capitol Campus; the Motor Pool's purchase and promotion of hybrid vehicles; supplying land and logistical support for community celebrations; emphasis on sustainability in state-owned and leased facilities; and developing and administering contracts for goods and services worth \$900 million. Employees can participate in the Combined Fund Drive for charitable organizations, blood drives and help fellow employees in need through the shared-leave and GAid programs.

1.b Governance System. General Administration's programs (see P.1a(1)) are accountable to Washington citizens. The agency regularly measures and reports the effectiveness of its services, so that problems can be identified and resolved. One key tool GA's senior management uses is GMAP (see 4.1a) to report performance.



GA has a number of customer and stakeholder groups that monitor agency activities.

Advisory Group	Role
Capital Projects Advisory Review Board	Reviews alternative public works contracting procedures and provides guidance to policymakers on ways to further enhance the quality, efficiency and accountability of public works contracting methods.
State Facility Access Committee	Public and private professionals performing reviews for barrier-free access for persons with disabilities, specifically for state buildings and grounds.
Capitol Lake Adaptive Management Plan	Steering committee made up of state, local and tribal government officials that advise GA on long-range planning for Capitol Lake. GA also manages three public parks directly on the lake.
Real Estate Forum	Collaboration of developers, clients, architects and vendors who review a number of areas that include development, buildings and design, processes and construction specifications.

Figure 1.b Partial List of GA's Advisory Groups

The State Auditor's Office (SAO) performs accountability and performance audits. Each year the office examines the risks that GA faces and selects different areas to investigate to verify that regulations and policies affecting agency activities are followed according to appropriate laws and rules. Auditors also look at efficiency effectiveness, opportunities for cost savings and if stated objectives are being met.

The Human Resources program monitors compliance of every employee to ensure that they take required training in ethics and other related policies.

The public disclosure process is another indicator of the agency governance system. At minimum, state law requires acknowledgement of a public disclosure request within five working days of receipt. GA attempts to exceed the expectation by providing the full information requested in that same time period. In 2006, 93% were completed in five days or less.

GA ensures regulatory and legal compliance through a series of processes and employees charged with the responsibility of oversight. GA has an internal auditor, an assigned ethics officer, policies and procedures in place for all procurement and contracting decisions and a financial review system designed to ensure fairness in all contracting decisions. Program managers and senior managers ensure compliance by regularly reviewing performance measures.

2. STRATEGIC PLANNING

The state Office of Financial Management (OFM) requires agencies to submit six-year strategic plans as part of the budget development process. These plans often overlap changes in gubernatorial and directorial administrations, which can affect the continuity of direction and strategic focus. Governor Chris Gregoire took office in 2005 and appointed a new director for

GA. However, GA's previous administration had established a strategic plan for 2005-11. This plan focused on effective stewardship of public funds and assets and enhanced customer service.

Governor Gregoire instructed central service agencies to create new innovations and efficiencies. GA in 2006 developed a revised strategic plan for 2007-13 that expands from stewardship and service to strengthen the leadership dimension that will help state government work together as one enterprise. GA has begun implementing these initiatives with the start of the new biennium in July 2007.

Senior leaders asked program managers to consider their daily work and relate it to their higher long-term plans, asking how current decisions will look in five to six years. By requiring six-year business plans, GA anticipates the future of the central services they provide. Managers gather employee input for the strategic plan in a manner appropriate to their program. The plans are in their final processing and will be available to employees and outside customers and stakeholders via the Web site.

2.b Strategic Objectives. Our current strategic plan focuses on two major components: 1. Enhancing GA's ability to provide enterprise policy leadership in central services.
2. Development of our workforce and our relationships with customers, partners and communities.

Addressing Strategic Challenges. – In developing the current strategic plan, GA's managers and leadership team identified several external trends that will affect GA in the coming years:

- Public agencies must continue to exercise effective stewardship of public funds no matter the economic conditions.
- State government's physical infrastructure is aging.
- A recently enacted law on performance audits targets greater accountability for state government activities.
- Civil service reforms.
- Effective partnering with OFM in the implementation of SHB 2366.

Addressing Strategic Advantages – We see major efficiencies and opportunities in state government operating as a single enterprise:

- Goals 1 and 2 focus on increasing government's use of central services to leverage economies of scale and support sustainable business and construction practices.
- Goal 3 prioritizes the urgent demands in our physical infrastructure.
- Goal 5 works to improve the use of technology and data-providing business systems for more effective decision making and performance management.

- Goals 4 and 6 focus on enhancing employees' skills and competencies and strengthen our engagements with customers.

General Administration's 2007 – 2013 Strategic Business Plan Highlights on Goals, Sample Objectives, and Sample Measures
Goal 1: Strengthen government's ability to achieve results efficiently and effectively for the citizens of Washington.

Objective 1.1 - Leverage the state's purchasing power, and use modern business practices to generate annual cost savings and efficiencies.	Sample Measure: Cost savings over previous contracts/pricing or applicable market indexes.
Objective 1.2 - Optimize (reduce) warehouse, storage and redistribution assets and costs.	Sample Measure: Reduction in total leased and owned square footage for warehousing.

Goal 2: Provide consolidated and innovative leadership in managing facilities and delivering central services.

Objective 2.1 - Decide the services GA will provide as a central service and those where GA will establish policy and best practices guidance.	Sample Measure: Economic benefit or efficiency achieved as a result of implementing these strategies and policies.
Objective 2.2 - Increase sustainability practices by state government to protect the environment.	Sample Measure: Volume and value of alternative fuels purchased and used.
Objective 2.3 - Annually improve the ease of use and accessibility of state-owned and leased facilities.	Sample Measure: Number of accessibility barriers eliminated at state facilities

Goal 3: Manage state assets and infrastructure with proven industry disciplines.

Objective 3.1 - Annually improve the efficient use of GA's real estate assets and assure management accountability for performance.	Sample Measure: Percentage of asset business plans completed
Objective 3.2 - Annually improve the quality of GA-owned office, parking and public and historic facilities.	Sample Measure: Annual maintenance costs as a percentage of the current replacement value .
Objective 3.3 - Annually implement and maintain security plans statewide and at the Capitol Campus for GA-owned and leased facilities.	Sample Measure: Improved facilities' risk/vulnerability scores
Objective 3.4 - By June 2010 recommend to the State Capitol Committee a preferred aquatic environment for Capitol Lake.	Sample Measure: Recommendation to State Capitol Committee
Objective 3.5 - Each biennium implement measures to preserve or improve Capitol Lake systems, infrastructure and facilities to ensure the safety of people and protection of property.	Sample Measure: Number of Capitol Lake Adaptive Management Plan objectives met

Goal 4: Recruit, develop, retain and value a high-quality, diverse workforce.

Objective 4.1 - Ensure that GA's workforce possesses the competencies necessary to deliver contemporary best practices leadership and service.	Sample Measure: Percentage of candidates that demonstrate expected knowledge, skills, and competencies.
Objective 4.2 - Create a management structure that attracts and retains the highest quality, peak performing diverse workforce.	Sample Measure: By December 2007 complete agency WSQA lite self-assessment to gauge management practices.

Goal 5: Use modern technology, business systems, data and expertise to enhance results in statewide decision making.

Objective 5.1 - Each biennium, expand and improve the use of technology and business systems that provide data for more effective decision making and performance management.	Sample Measure: Completion of asset management system by June 30, 2009.
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Goal 6: Enhance internal and external relationships through collaboration, partnerships and ongoing communication.

Objective 6.1 - Strengthen internal communication and working relationships to enhance program credibility and customer recognition.	Sample Measure: Employee survey ratings on communications.
Objective 6.2 - Better understand customer business needs and develop partnerships and goals that result in greater use of GA's central services and policies and improved service delivery and community benefits.	Sample Measure: Customer survey ratings on communications and results.

Figure 2.1a Key Strategic Priorities, Sample Measures

2.c Action Plan Deployment. While each biennial strategic planning and budget development cycle has had unique elements, GA is striving to build a consistent process for these activities. GA has designated strategic planning and policy managers to facilitate the strategic planning process in consultation and collaboration with our budget manager. In the initial phases of the planning process, GA's senior leadership reviews mandated requirements and statutory responsibilities, and helps communicate continuing vision,

goals and objectives. GA program managers, in consultation with their employees and customers, assess needs and interests, changing technology, service-delivery methods and other external factors through various forms of analysis. The group also develops business plans consistent with overall goals and proposes new strategies and initiatives, including key performance measures for each major activity. In some instances, programs also prepare specific action plans for priority activities. GA then submits the six-year strategic plan and supporting

budget decision packages to OFM for consideration in the governor's budget during the legislative session. GA programs adjust their annual business plans to align with the approved plan.

In 2007, GA developed a standard action plan format for use across the agency. The plan identifies concisely the purpose, scope, major deliverables, assumptions, resource commitments, performance measures and major action steps or milestones. Project leads prepare information and share with senior leadership to help in further setting priorities for workload, resource management and development of budget packages.

3. CUSTOMER AND MARKET FOCUS

Key customer groups are primarily in the category of state agencies. However, given the wide range of services GA offers, we deliver services to other states; the federal government; political subdivisions; educational institutions; businesses; and the public. See P.1b(2) for the list of customers, stakeholders and key requirements.

There has been a major business shift over the course of the past decade to move GA services from a cost-allocation of state tax money to a funding based on a fee-for-service system. This makes understanding and meeting customer expectations increasingly more important to sustain operations.

3.b Key requirements and changing expectations. Our programs usually act independently in determining customer satisfaction levels, key requirements and changing needs and expectations. Customer surveys of varying lengths tend to be a standard tool. For example, the Services Division repeatedly relies on surveys that measure customer assessment of programs' responsiveness, flexibility and overall satisfaction. They compare data to previous results to identify opportunities for improvement.

In the field of contracts and purchasing, GA offers many ways for customers to communicate their needs and expectations, as well as solicit recommendations for improvements. We conduct transactional surveys to assess individual situations and to gain insight into practices or standards that may need to evolve. Vendor and contract "report cards" are also regularly sent to both GA employees and customers to track whether particular contracts need updating and what changes could be made to better satisfy needs.

Direct interaction and open dialogue is also a valued method for determining requirements and gauging changing needs and expectations, although quantifying and reporting about these is not currently a requirement. The B&G program holds quarterly meetings with the Facility Services Advisory Board to share sustainability information and review practices and procedures with customers and stakeholders. Consolidated Mail Services holds quarterly customer meetings to educate customers about the mail

services and to solicit information on satisfaction levels and improvements.

GA created a feedback system to receive customer comments. It is available online at anytime on the agency Web site. Customers can place a priority on any submission. Employees designated to monitor the system route questions and concerns to the appropriate program to review and respond. Additionally, anyone in GA that receives a complaint in any manner must enter the information into this centralized feedback system. The agency standard for replying to comments and inquiries is two working days. This also allows GA to monitor trends and be proactive in establishing change. Since the inception of the feedback system, GA has had a 96% success rate at meeting the two-day turnaround time.

Figure 3.1 GA Feedback Form on the Web site

Early in 2007, a central customer service team in the Services Division formed to meet every two weeks to examine current customer attitudes, assess service procedures and propose new ideas for consistent customer service standards for the division and potentially all of GA. As a first step, this group surveyed all supervisors and managers in the Services Division to gauge the roles and relationships they have with their own customer service staff. This assessed the flow between service staff and management concerning customer opinions, suggestions and criticisms.

3.c Customer Relationships. GA pursues building relationships at almost every point of contact with customers and stakeholders. From the service-level interaction of drivers, custodians and customer service representatives, to departmental leaders engaging other state executives at meetings, to formal points of contacts through specific contracting meetings with potential bidders.

The executive-level Customer Relations Advisory Group works to align agency activities to the principles in the strategic plan and customer expectations. The team drafted an aggressive



agenda for advancing marketing and customer appeal. This includes establishing liaisons from each division and promoting the use of consistent language about department activities.

GA is also a participant in the Western States Contracting Alliance (WSCA), a cooperative purchasing program that focuses on state governments. The WSCA network helps the state benefit from shared, lower contract development costs and better volume price discounts. This allows GA to pursue a wider market within member states, establish a larger range of potential partners and stakeholders and attain the best values and rates on services important to GA customers. One example is the Federal Express contract through WSCA dramatically reduced the cost of shipping of state parcels, saving agencies a significant amount of money.

GA also hosts an annual Training Conference and Trade Show for vendors and customers to learn about the full array of services available. Each program sends representatives to answer questions and promote products and services.

GA is also a key member of OFM's Small Agency Initiative. This is the work of a partnership among OFM, GA and DIS to identify ways that shared facilities and cooperative services can increase efficiencies for smaller agencies.

In response to a statewide survey on facilities management, the Facilities Division in 1995 created the Plant Operations Support Consortium (POSC). The consortium is composed of state agencies, educational facilities, municipalities and port district, and acts as a communications and support hub for management ideas, organizational standards and surplus/salvage materials. The consortium includes hundreds of professionals who regularly share solutions and best practices about facilities management.

To acquire customers, GA uses various communication methods. The GA Web site, www.ga.wa.gov, is categorized and organized by the type of service as opposed to specific programs, which allows current or potential customers to explore the options available to them. The pages are reviewed on a set schedule by the Information Systems program to determine what sites and services users access most often. Although many improvements were made to the site after surveys and tests with user groups, a significant portion of the overall content remains dated because programs have not yet dedicated resources to the reviews. In addition, underlying issues with business processes in some programs inhibit more efficient and timely access for users.

4. MEASUREMENT, ANALYSIS AND KNOWLEDGE MANAGEMENT

4.a Measure, Review and Performance Improvement.

Performance management begins with the agency strategic plan. This document, prepared by executive management, contains the strategic goals that each program's objectives, strategies and

measures must support. We integrate these goals with the direction set by the Governor's Office. The aim is to align organizational performance with agency and statewide priorities. We report results annually to OFM.

The primary venue for reporting, analyzing and developing strategies for performance measures occurs at the monthly GMAP sessions. Business managers report the results and analysis of select operational and financial measures. Executive management reviews the reports and ensures follow-up on action items assigned at previous sessions. All present can contribute strategies, analysis, or respond to questions for future action. Action items are communicated agency-wide through electronic slides or other documents following the GMAP session. In addition, all programs capture their own key performance data and share them with their employees.

GA manages financial performance primarily through the Management Reporting System (MRS). MRS provides agency-wide access to income statements and balance sheets for business units, capital projects and funds. After closing each month, financial data is presented in graphical form through the GA budget show. This compares financial performance for the agency, business units and funds against targeted performance and projections developed in regular financial analysis. Narrative descriptions of the business operations affecting financial performance, as well as the status of corrective action plans developed to improve flagging performance, are included in both the budget show and the quarterly analyses.

4.b Performance Measures. Monthly GMAP meetings always include program-level reports on personnel measures as well as financial standings. In addition, each program reports regularly on performance measures relating to its particular service. More on GA performance measures can be found in Section 2.a. and in Section 7.

4.c Comparative Data. There are several systematic efforts to track performance data within the agency. At the agency level, GA has implemented a Web-enabled customer feedback system. Standard reports available through the site include: summary by subject and type, overdue customer contacts, service commitment summary, and feedback evaluation summary.

GA provides a human resources management report to the Governor's Office that compares the agency's workforce deployment, development and performance management with other state agencies. This report incorporates the Department of Personnel's annual employee survey with sick leave, overtime and performance development reporting. In turn, we have access to comparative personnel data from other state agencies.

The B&G unit uses the Facilities Maintenance Management system (FMMS) to provide several performance reporting



applications. By using this database for managing work orders, the program has developed an activity profile that describes total workload (in work requests) by service type for a given data range. Another opportunity created by the FMMS is the Card Key Activity profile. This report, combining invoicing and timecard data with order data from the Web-ordering system, details key productivity measures including: three-day backlog, average age, shortest and longest turnaround, cards processed and revenue per unit of labor.

In 2003, B&G commissioned a study of its flowerbed maintenance activity. The study compared B&G's costs and productivity for its service levels to the national comparison data provided. We found that B&G used 23% fewer work hours to accomplish its tasks compared to national standards. To capitalize on the additional capacity our efficiencies had netted, we reorganized the Grounds Maintenance units from individuals maintaining set zones, to teams that maintain established regions to improve our coverage and responsiveness even further.

Some programs have implemented systems for recording key productivity data to MRS. By posting the data to the MRS, these productivity metrics are readily available on an agency-wide basis for assessing performance. Examples of this measurement activity include CMS tracking of the total amount of postage processed and number of mail pieces processed through automation. This data is posted with the financial data for the program, which enables MRS to automatically calculate supplemental data including revenue and expense per piece and net result.

In 2003, CMS developed a rate comparison of its campus mailing services against the same services offered by the U.S. Postal Service (USPS), United Parcel Service (UPS) and Federal Express. The program also commissioned a benchmarking report that compared rates and service delivery against 10 governmental and private mailing providers. The study highlighted several CMS services not provided by other vendors, including electronic tracking of Postal Service mail through the state system, customer training sessions and on-call urgent pick-up services. CMS productivity met or exceeded national standards in every category. In 2005, CMS again compared the rates of its current and proposed service models against two vendors and a benchmark study. Our Motor Pool compares its rate schedule for a one-day rental of a sedan with the rates in the statewide contract for car rental on an annual or biannual basis.

OSP also records its performance data to MRS. Performance measures pertaining to contract processing (e.g. number and dollar amounts of contracts), customer service and employee development (training hours received) are all cataloged for comparative analysis.

The Custodial Services program has recently implemented the Operating System 1 (OS1), a set of environmentally-friendly cleaning practices, in the buildings it maintains on the Capitol Campus. As an integral task in this method, custodial supervisors record the consumption of portion- packaged cleaning solvents used

by custodians. By analyzing buildings using a standardized guide, managers are able to optimize the deployment of cleaning staff, ensure compliance with the OS1 cleaning method, minimize the use of portion-controlled chemicals and accurately schedule future workloads. In addition, this consumption monitoring permits comparative analysis of cleaning performance among buildings and cleaning teams. In 2005, GA contracted for a compliance audit that compares OS1 users nationally. GA was scored as having implemented 88% of the system as compared to the national benchmark of 80%.

5. WORKFORCE FOCUS

5.a Workforce Engagement. GA uses a several strategies to ensure that employees understand how their work aligns with the mission, vision and goals of the agency. Job descriptions for each employee clearly indicate the links. New employee orientation includes information on the mission, vision, values and goals. Employees also contribute to their program business plan that sets the goals, objectives and performance measures within each program for the next six years.

We involve employees in various projects within their programs that help the agency achieve organizational success and increase workforce engagement. For example, in a recent project to revise policies, procedures and forms within the Services Division, staff led efforts on assigned policies and procedures. Within the procurement program, the management team drafted a new contract bid template based on staff recommendations. Division leaders then trained employees on the new documents and procedures.

5.b Workforce Capacity. GA believes in building an effective and supportive work environment. All managers and supervisors are required to attend classes in the following areas: using competencies to manage staff; using the performance development plan to plan and measure employee success; hiring and dismissal procedures; and an overview of the statewide collective bargaining agreement. To date, 83% of GA managers and supervisors have attended these core trainings. The 17% of managers and supervisors who have not attended is attributed mostly to turnover. The agency has a six-month plan in place to reach this group.

Performance evaluation and planning processes set expectations based on program and agency objectives. Each employee has an individual development plan that enables the agency to ensure that employees have the skills and competencies to perform their current assignments and the opportunity to advance. Employees can also request organizational support for future career goals. Tuition reimbursement and agency in-training opportunities are examples of how GA supports the development of our employees.

In August 2006, the director established the “GA Core Competencies for Leadership.” These include leadership; collaboration and partnership; accountability; foresight; stewardship; and integrity. These competencies are part of each manager and supervisor’s position descriptions and are the focus of their evaluations each year. Managers and supervisors received a one-page document outlining these competencies and the expectations on performance management.

GA employees hear personally from the director about current projects and issues in GA during a bi-monthly meeting. This interactive meeting provides staff members the opportunity to discuss issues and concerns with the director. The day after the meetings, the communications program sends out a summary of the topics discussed for those staff unable to attend the meeting. The director publishes the “Director’s Monthly Message About GA” on the agency Web site. The report is a summary of key agency activities that is sent to various stakeholder groups, including legislators and local community leaders. GA also publishes a weekly alert about current activities, which is sent to the Governor’s Office and placed on the agency’s Intranet site. Employees also learn about GA’s progress on performance measures during the monthly agency GMAP sessions and follow-up documents.

We recognize our employees for their accomplishments and successes during the agency-wide annual employee recognition event each fall. In addition, each division conducts its own recognition program for employees. Staff members also participate in “GAid,” an employee-run program to provide financial assistance to fellow employees affected by catastrophic illness, injury or other circumstance. Employees hold fundraisers several times throughout the year. When a GA employee needs assistance handling a personal emergency, he or she can request financial assistance from the GAid foundation. Staff members also participate in the statewide charitable Combined Fund Drive.

GA participated in the 2006 employee satisfaction survey conducted by the Department of Personnel. The breakdown for the survey is shown in Figure 5.1. Ratings were based on a 1 – 5 scale with 5 being the highest.

When performance issues occur, the supervisor addresses them by working closely with the HR office. This may include providing employees with job coaching, skills training, or access to services such as the Employee Assistance Program (EAP) to improve performance. If discipline is necessary, all supervisors have received training in the elements disciplinary procedures. Since June 2006, only one employee has filed a grievance.

Each program measures capacity by reviewing workload and upcoming special projects and establishes a program business plan for 18 to 24 months to ensure enough capacity is available to meet all commitments: business plan objectives, day-to-day activities and customer commitments.

2006 Satisfaction Question	GA Average	Statewide Average
I know what is expected of me at work.	4.4	3.8
I know how my work contributes to the goals of my agency.	4.2	3.7
I receive the information I need to do my job effectively.	4.0	3.8
My supervisor holds me and my co-workers accountable for performance.	4.2	3.7
I have the tools and resources I need to do my job effectively.	4.1	3.8
My supervisor treats me with dignity and respect.	4.4	3.8
My supervisor gives me ongoing feedback that helps me improve my performance.	3.9	3.65

Figure 5.1 2006 Employee Satisfaction Survey – selected data

To assist employees in maintaining a healthy work-life balance and still maintain service to the public, GA allows approved employees to work a flexible or compressed workweek schedule. Currently, 30% of GA staff work such schedules. The HR office sends out a monthly “TIP” newsletter providing information relating to human resource matters, safety tips and other wellness information. GA also encourages employees to participate in wellness programs through community events sponsored by the YMCA and other health clubs.

Senior managers and program managers receive the results from employee surveys and share them with employees and program work groups. Opportunities for improvement include supervisors providing ongoing feedback for improved performance and recognition for a job well done. In response, managers are emphasizing recognition of employees as they complete projects. Supervisors and managers are encouraged to recognize “just-in-time” performance. For example, after the rollout of the new statewide payroll system, the senior management team provided lunch and recognized staff who worked to implement the system for the agency.

As new technologies emerge, we update the competencies for positions and provide training to our employees. For example, in the EAS group, many engineers and architects needed to update their skills in a specialized computer-aided design software program that is integral to an employee’s job. GA contracted with a vendor to provide the training. As changes in the heating, ventilation and air-conditioning systems occurred; employees who manage these building systems received training to obtain the necessary licensing and certifications. As customer demand grew for environmentally friendly and



healthy cleaning practices, GA implemented a specialized custodial cleaning program (OS1) at the Capitol Campus buildings in 2005 that earned a “green” classification for cleaning. GA provided training and equipment in the new cleaning program to our custodial staff. It is one of only three custodial programs nationwide to earn such certification.

Supervisors in the Services Division developed a knowledge, skills and abilities matrix. The matrix begins with an assessment of each contract specialist’s classification. This is used to write interview questions and help the program assess potential new candidates; develop performance evaluations/expectations; promotion paths; and measure the programs success in meeting workforce business plan objectives.

6. PROCESS MANAGEMENT

6.a Work Processes and Requirements. As a central support agency, we use several key work processes to deliver our services. Each program is expected to document their key business processes and customer requirements.

Contracting staff in the Services Division manage contracts for goods and services. Customer requirements include a variety of elements, such as quality, service, price, products or services offered, environmental attributes, or any combination of these elements. Customer requirements are identified through one-on-one meetings, customer surveys and regular focus group meetings.

We use a six-step competitive procurement and contracting work process to deliver this service. Through this process, we offer the highest and best value contracts that result in solid socio-economic value for our customers and the state. We factor in price, quality, availability, sustainability (environmentally friendly products) and the diversity of our suppliers. We balance our process with additional best practices, which our customers help define through regular stakeholder meetings during and after the procurement and contracting process, annual tradeshow with our vendors and customers, professional affiliations (National Institute of Government Purchasing and the Sourcing Interest Group), and customer surveys.

Our facilities procurement and management services are delivered through processes involving leasing, requests to alter leased spaces, requests for technical assistance, property acquisitions and property disposal. This process has several process requirements such as; 1) providing competitively priced spaces that meet our clients program and employee needs; 2) providing quality architectural and space design services that promote high performance, environmentally sustainable, flexible and affordable workspaces; and 3) negotiating real estate agreements that reduce risk and protect the state. We partner with state government, landlords, local government and residents as we identify key work requirements.

Our public works management services involve seven steps. We continuously collaborate with our customers, partners and suppliers to ensure that the public works process we employ results in facilities that are of enduring quality, energy efficient, environmentally conscious and meet universal standards for access for the disabled. Our partners offer valuable insight into the services we provide. For instance, twice during the life of each capital construction project we manage we survey the project owner and project manager to get their thoughts on the value of the services they have received. Our questions focus on whether the client is satisfied with our ability to manage their project within budget, on schedule and with a quality result. Customer surveys from June 2006 through December 2006 rate our services at about 3.5 on a scale of 1 to 5 (5 is “far exceeded expectations,” 3.5 is between “met expectations” and “exceeded expectations”). More detailed results can be seen in figure 7.2d.

Our Custodial Services are supported by the OS1 work process. This is an award-winning bundled custodial work process that is based on a clear standard and philosophical process of cleaning. We adopted this standard as a means to protect and preserve our facilities investments and to provide a clean, safe, comfortable environment for our tenants. These standards serve as a response to customer feedback.

When implementing OS1, custodial services made a full-scale process change beginning with management training. We replaced all our equipment with state of the art tools, thoroughly trained our employees in the new techniques, audited the facilities we serve to determine optimum service schedules and assignments, met with customers and initiated employee feedback methods to fine tune the process.

For on-going control, we employ management tools that enable us to understand, measure and control both costs and results. For instance, employees are issued supplies and chemicals in a precise manner and specific inventories are kept. We not only track supplies that are issued but we require employees to return used chemical packets, filters and dusters for tracking purposes. From these inventories and tracking records we can determine what is used, by which employee, in which area, doing which cleaning task, and then to make any necessary adjustments to the process to achieve optimal results. This also enables us to better understand the costs associated with the process, anticipate any quality concerns and determine any employee retraining needs.

An additional tool used in the process is the Job Card. These cards outline the tasks that are to be performed in which area, on what day, at what time, and how long the task should take. Strict adherence to this schedule ensures that promised services are delivered reliably.

6.b Improvement of Key Work Processes. Each program strives to outline their key business process, manage it and



improve it. While there is no one designated approach to continuous improvement in the agency, we have management information systems in place that give us performance information that we act on.

One example is our competitive procurement and contracting work process, which uses the following as key performance measures:

- 1) Establish or participate in establishing five new contracts that employ strategic sourcing principles.
- 2) Increase contract usage (measured by dollars and participation, using 2005-07 data as a baseline).
- 3) The number of customer consultations on strategic purchasing opportunities.
- 4) Meet commitments to agency business-equity goals.
- 5) Collaboratively work with our stakeholders to develop a tool kit (i.e. resource library, training, procurement assistance, etc.) to assist and support them with procurement activities.
- 6) Develop a training curriculum for staff designed around core knowledge, skills and competencies.
- 7) Three new contracts for environmentally preferred products each fiscal year.
- 8) Provide contracting tools for alternative fuels.

These performance measures reflect our commitment to customer relationships, sustainability, and proactive strategy. We assess our performance to these commitments monthly to ensure success or early course correction, if necessary. We report progress on our performance measures at the quarterly GMAP sessions.

In addition to the above key performance measures, we also have measures that we use in day-to-day operations. For example, we have workload reports that help us manage our contract portfolio to ensure that there is no break in contract coverage.

7. BUSINESS RESULTS

GA's performance measures reflect the diverse expectations of our customers and stakeholders, as well as the varied nature of our independent business lines. We continue to improve our performance measures to ensure we are using our information to help us make decisions and communicate results. Following are some measures that we use in our GMAP forums and internal management meetings.

7.1 Product and Service Performance Results

A strategic objective for GA was to collaborate with other central service agencies (GA, the departments of Information Services and Printing) to save our customers money. Figure 7.1a shows the combined savings for the 2005-2007 biennium.

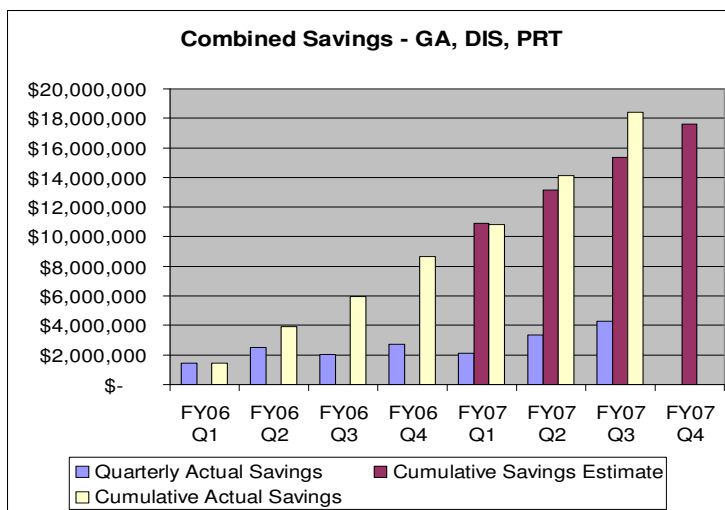


Figure 7.1a: Savings through three major central service agencies

Leases with LEED requirements	Cost	Annual Savings	Actual Payback Years	Target Payback
Dept of Health, Town Center II, Tumwater, 130,733 SF, LEED Certified	\$393,000	\$65,000	6	10 yrs
Dept of Health, Town Center III, Tumwater, 48,000 SF, LEED Certified	\$145,000	\$28,000	5.2	10 yrs
Attorney General Tumwater, 131,000 SF, LEED Silver	\$516,000	\$70,000	7.4	10 yrs
DSHS, Cherry Street, Olympia, 161,000 SF, PSE Energy Conservation Grant	\$346,900	\$58,000	6	10 yrs
DOT – DOC, Edna Goodrich Building, 212,472 SF, LEED Gold	\$795,000	\$66,250	12	10 yrs
Total Square Footage = 682,845	Total Annual Savings = \$287,250			

Figure 7.1b: Savings through Sustainable Practices

Our customers want energy efficient, environmentally healthy buildings. GA uses energy-saving construction including HVAC/lighting techniques to create savings (as seen in Figure 7.1b) and produce a smaller environmental impact. As such, Real Estate Services has established a performance measure to increase the application of sustainable practices in building management. The program reports on this measure at GMAP.

Office Supplies

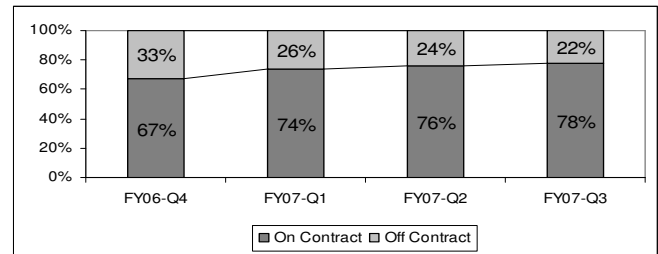


Figure 7.1c: Office Supplies Contract Adoption Rates

Fuel

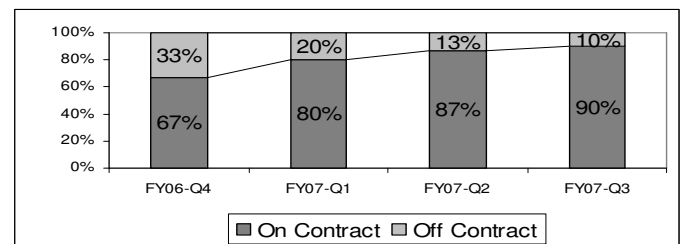


Figure 7.1d: Fuel Contract Adoption Rates

The state realizes savings when agencies use lower-cost contracts and services. However, the overall value of these contracts extends beyond financial savings. The customer "adoption rate" is the method used to measure the success of the contracts GA develops. In the examples above, (Figures 7.1c & 7.1d) both contracts started out at a 67% adoption rate, but the charts reveal that the office supply transition is going slower than fuel. Measuring adoption rate serves as a valuable tool in developing and changing contracts to meet customer needs.

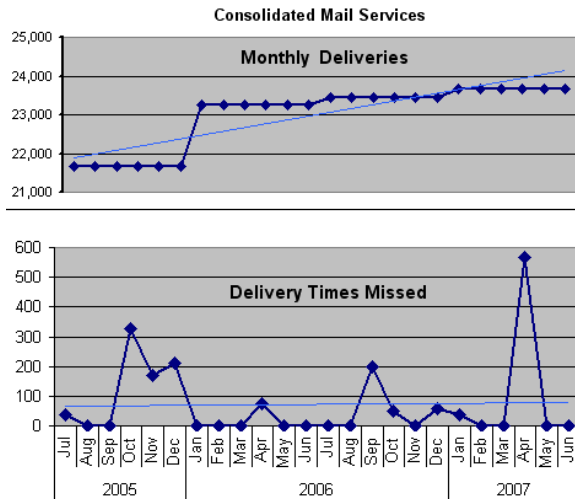


Figure 7.1e: CMS Deliveries & Delivery Times Missed

Responsiveness and consistency are paramount customer expectations, so it is important for GA to track the reliability of service guarantees. CMS has set delivery and pick-up times for mail (plus or minus 15 minutes) that are a keystone of GA's mail service. Given that the average number of deliveries per month is 23,011, Figure 7.1e shows that CMS maintains a missed-delivery rate of less than 2%, and averages only 0.4%. This has led to testimony from customers that they can "set their watch" by CMS deliveries. The main causes of missed delivery times are weather, traffic and mis-sorted mail.

7.2 Customer Satisfaction Results

GA has repeatedly contracted a third-party firm to perform customer surveys. Figure 7.2a shows that over the course of the five surveys, overall customer satisfaction with GA has held consistently within the upper range. Simultaneously, customers' view of GA's improvement has been steadily increasing from each survey. Surveys were conducted on a 1-7 Likert scale. Qualitative customer testimonies gathered in the survey process have been used as guides for growing, changing or realigning specific program services.

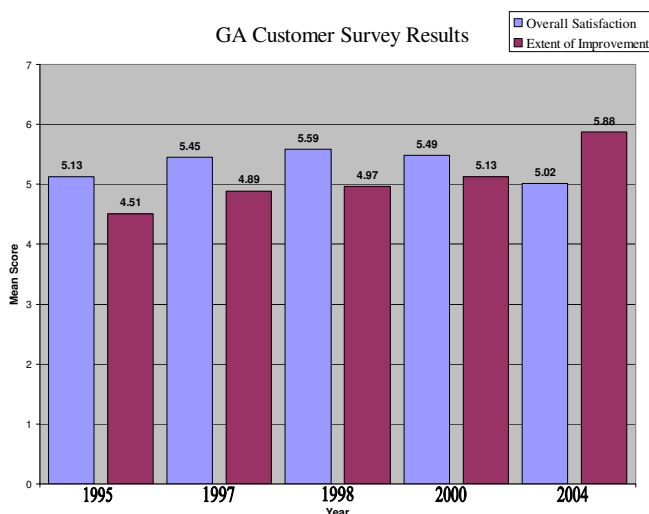


Figure 7.2a: Customer Survey Results

Building	Pre Session Hours	Session Hours	Increase	% Change
Pritchard	347	2,208	1,861	536%
Cherberg	1,148	3,382	2,234	195%
O'Brien	1,066	2,661	1,595	150%
Legislative Building	2,599	5,839	3,240	125%
Newhouse	403	666	263	65%

Figure 7.2b: B&G Workload & Impact of Legislative Session

Figure 7.2b displays the sort of impact that legislative sessions can have on the demand for Buildings and Grounds services. Historical staff hours by location, as shown in Figure 7.2b, are used for resource planning and to gauge the responsiveness of GA to changing customer needs.

Figure 7.2c shows total open preventative maintenance work orders have increased, but that the output rate remains flat. This highlights our need to communicate with customers. This reimbursable work is by customer request and is above the base level service included with their lease agreements. GA's initiative is to engage stakeholders in developing reasonable expectations and goals for the performance of this service.

Figure 7.2c: B&G Preventative Maintenance Jan-June 2007

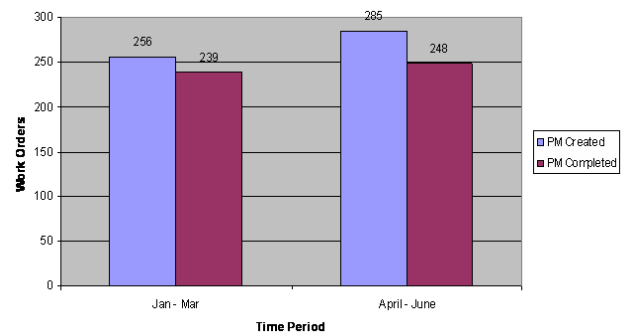


Figure 7.2d displays one of the methods that individual GA programs use to evaluate their delivery of customer expectations. Following the completion of projects, EAS sends a survey to customers asking for ratings on different levels of satisfaction. Figure 7.2d shows these ratings for 2006, displaying a downward trend through the middle of the year that begins to correct itself toward the end. This data is shared in meetings with all project managers to identify issues and discuss lessons learned.

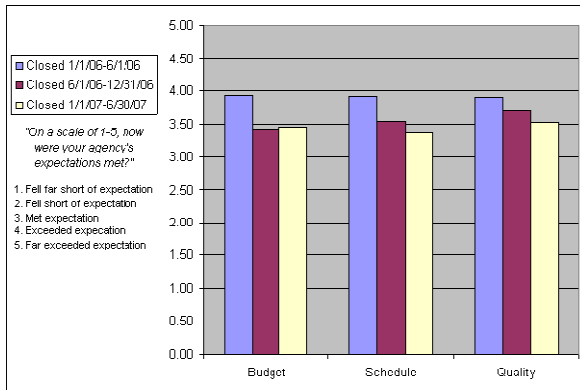


Figure 7.2d: EAS Client Project Evaluations

7.3 Financial and Marketplace Performance Results

General Administration operations are largely fee-for-service and not mandated for use by state agencies. This fact makes it important to track how many entities are actually using offered services to determine the relative health of our business lines. Figures 7.1.c, 7.1d, 7.3a and 7.3b are management measures used to gauge market acceptance.

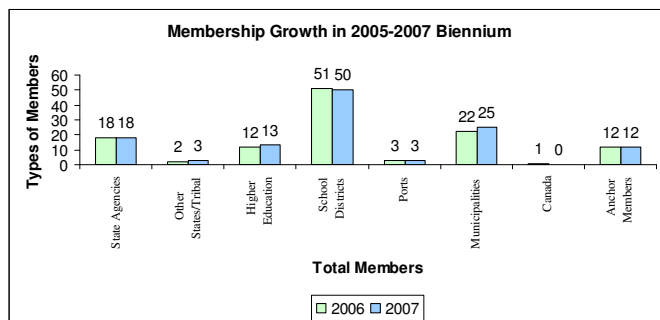


Figure 7.3a: Plant Operations Support Consortium Growth

As shown in Figure 7.3a, membership in POSC reached 109 in 2006 and currently totals 112. The objective of the program is to sustain its current relative size. It is considered to currently have a viable cross section of organizations to share knowledge and provides sufficient revenue to support the program. In contrast, OSP's objective is to have annual growth, as the program's products and services, once created, can be used by many customers with marginal cost per user. The same customer renewal rate is also tracked, as shown in figure 7.3b. The market saturation point is considered to be 900-1,000 members, so OSP is showing healthy expansion.

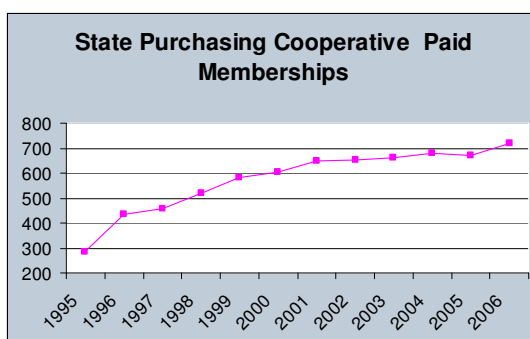


Figure 7.3b: OSP Membership Growth

Managing income margin and having available working capital to invest in equipment, technology and training are fundamental to keeping our services market competitive. Figures 7.3c, 7.3d, and 7.3e are examples of agency performance measures that highlighted financial challenges.

Overall, agency programs are losing money. Our target profit margin is 3% to provide for increased costs and needs for working capital to support program investments. The Motor Pool loss of \$4 million is a planned spending down of excess working capital. The balance of the \$12 million agency net loss is being addressed with program spending and monthly monitoring.

Working capital and cash balances have been impacted by taking on new debt and the operating losses largely associated with facility-related program spending. Since GA hit a negative cash balance in December of 2006, cash-management strategies have been put in place in conjunction with program spending plans. These are monitored monthly and positive results have started to materialize, as seen in 7.3d and 7.3e.

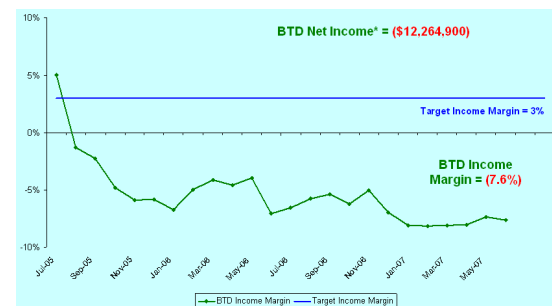
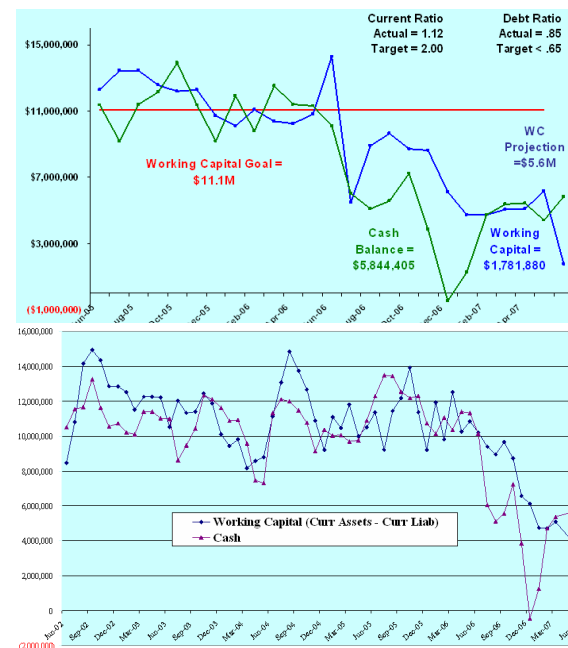


Figure 7.3c: GA Income Margin

Figure 7.3d:
GA
Working

Sedan	Price (contract)	-Residual Value (60 months)	+Fuel (75,000 mi.)	=Total
Malibu	\$12,985	(\$3,506)	\$9,375	\$18,854
Prius	\$22,382	(\$10,519)	\$3,750	\$15,613
Small SUV				
Escape	\$15,113	(\$4,081)	\$10,713	\$21,745
Escape Hybrid	\$24,735	(\$10,137)	\$6,819	\$21,407

Capital and Cash Balance

Figure 7.3g: Motor Pool Vehicle Life Cycle Comparison

7.4 Workforce Engagement, Satisfaction and Development

Employee evaluations and position descriptions include linkage with our mission and strategic plan. Our evaluation process is a comprehensive approach to individual performance planning and assessment between employees and their supervisors. Performance evaluation and planning processes set performance expectations based on program and agency objectives, as described in section 5.1a. Figure 7.4a shows GA's positive progress and high achievement in keeping all evaluations up to date.

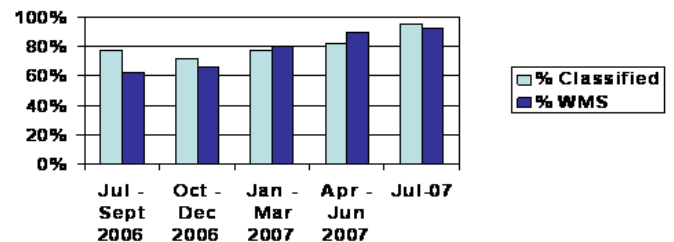


Figure 7.4a: Employee Evaluation Completion Rates

Individual development plans are established for each employee and agreed upon. These plans enable the agency to ensure that employees have the skills and competencies to perform their current assignment, and the opportunity to advance within the agency as described in Section 5.1a. Figure 7.4b shows the completion rate of the development plans.

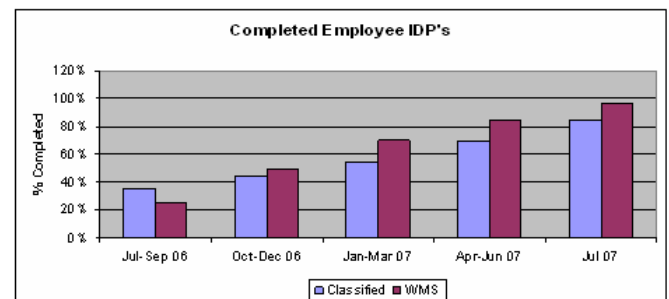


Figure 7.4b: Employee Development Plan Completion Rates

GA believes in holding managers and employees accountable for performance. When performance issues do occur, they are expected to be dealt with proactively and at the lowest possible level to prevent indignation or elevation of issues. From June 2006 through April 2007, only one disciplinary grievance has

Figure 7.3e: GA Cash & Working Capital 5-Year History

GA rates are benchmarked against the market for similar services. Figure 7.3f shows such a benchmark for the Motor Pool. Current rates for car rental through the Motor Pool are 40% less than contracted rates (Enterprise car-rental contract). The non-discounted rate is 32% less.

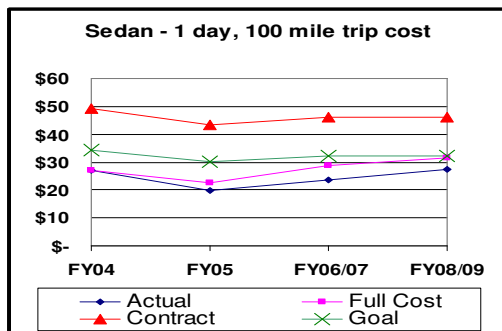


Figure 7.3f: Motor Pool Rate Benchmarks

GA rates are calculated using lifecycle and fully loaded costing. The example in 7.3g illustrates that the initial cost of hybrid vehicles is higher. However, when fuel expense and added value over the life of the vehicle is considered, GA is able to reduce both costs and the state's environmental impact by using the more fuel-efficient hybrids. Miles-per-gallon rates in the table are from the Environmental Protection Agency Green Guide. Fuel is estimated at \$3 per gallon. Residual values are from Kelley Blue Book

been filed by the state employees' union. This is described in Section 5.1b, and reflected in Figure 7.4c.

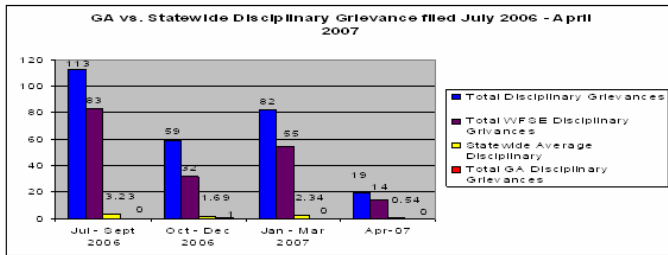


Figure 7.4c: GA Grievance Activity

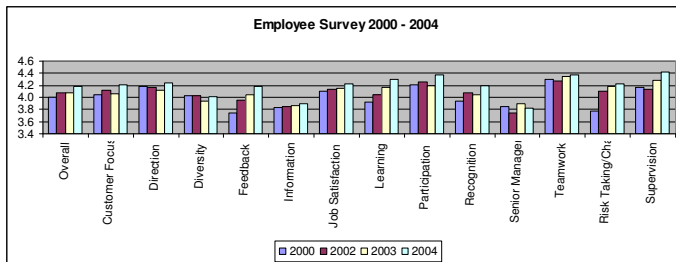


Figure 7.4d: GA Employee Survey Data

From 2000 to 2004, GA participated in the employee survey through the Department of Personnel. Figure 7.4d displays that GA showed progressively higher marks in almost all areas over the four years this survey was conducted. The next survey was completed in 2006 and is included in section 5.b.

7.5 Operational Performance, Process Effectiveness Results

GA uses cost and productivity measures to evaluate operational performance in several of its programs. We reference Motor Pool's price benchmarking in Figure 7.3.f. Figures 7.5a, 7.5b, 7.5c, and 7.5d show benchmarking for both price and productivity.

Since the inception of our new cleaning standard in 2004, the Custodial Services program has reduced its unit costs by 24% while increasing its productivity by 33%. The cut in unit costs has reversed a six-year upward trend. This turnaround is displayed in Figure 7.5a.

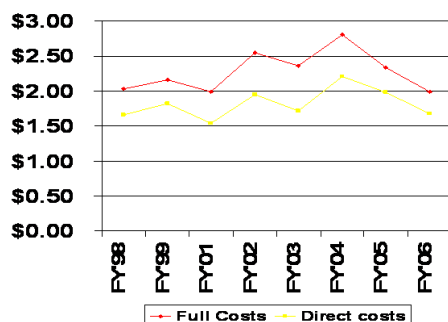


Figure 7.5a: Custodial Costs & Productivity Benchmarks

GA's standardization of cleaning methods has improved efficiency by 33%. International Facility Management Association (IFMA) and other standards of productivity should not be used as a benchmark without an accompanying cost per square feet, which is shown in Figure 7.5b. The program manager uses the following approach/context to this data:

- Expectation should be better than average productivity, not staffing up to meet the average (becoming less productive).
- Methods used to calculate productivity included billable hours only, a more stringent rubric. The result still shows Custodial Services to be 21% more productive than the IFMA benchmark average
- More productivity may be achieved by minimizing time off-task.

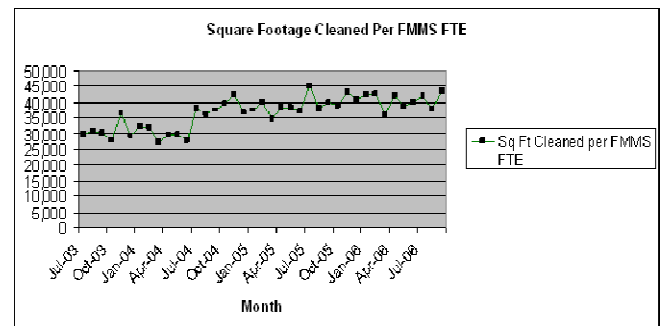


Figure 7.5b: Square Footage Cleaned per Full Time Employee

Cost and productivity data from two industry benchmarks confirm changes made in the Custodial Program have closed the gap compared to our peers. This is reflected in figures 7.5c and 7.5d.

Year	Government Sector Average	Custodial Program (fully costed)	Percent Above Nat'l Average
2002	\$1.35	\$1.95	31%
2003	\$1.38	\$1.72	20%
2004	\$1.42	\$2.21	36%
2005	\$1.46	\$1.98	26%
2006	\$1.51	\$1.68	10%

Figure 7.5c: Custodial Program Historical Benchmarking

Figure 7.5d: Custodial Program Industry Benchmarking

Organization	Productivity	Cost per Square Foot
Colleges & Universities	46,392	\$1.45
Medical	40,862	\$2.34
All other	46,136	\$1.71
GA Custodial Program	40,790	\$1.68

Preventative maintenance is scheduled to increase reliability and lengthen the life of facility assets. It is common industry practice that not all preventative maintenance is completed annually. Through GMAP, GA just began in 2007 to examine the implications of delayed maintenance. Figure 7.2c shows that on a quarterly basis we have a backlog of more than one-third of the scheduled maintenance. GA is further analyzing this data to include placing a level of significance to the more than 2,100 maintenance items so that priorities can be set.

Chart 7.5e shows that there are an increasing number of unplanned maintenance incidents and an inadequate completion rate to meet customer expectations. The initial presumption is lack of staff hours available to meet the demand. A thorough analysis will be completed to determine the impact of the deferred maintenance and to categorization of the “break-and-fix” events to understand the significance and establish a deployment strategy to address the most critical needs.

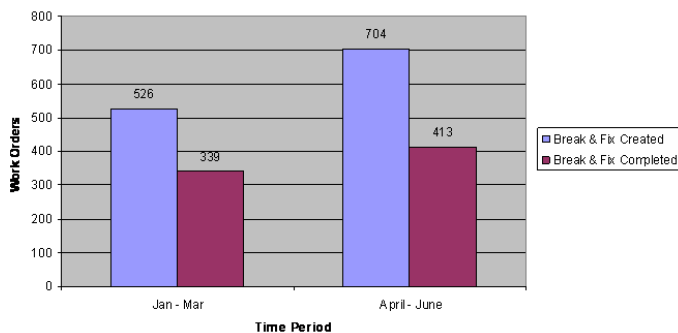


Figure 7.5e: B&G “Break & Fix” Maintenance Jan-June 07

Completing lease renewal negotiations six months in advance of expiration provides the state a strong negotiating position, as there is likely sufficient time to find other more competitive facilities. The measures shown in Figures 7.5f and 7.5g are the first step to isolating the causes for expired leases. A study found that 35% are due to continuing negotiations with facilities and clients, and 17% are due to delays in processing lease updates. Only 10% are linked to a lack of action by GA or the client.

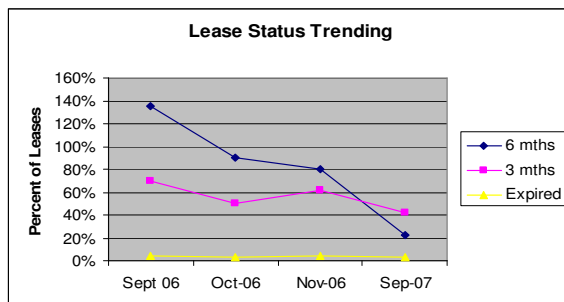


Figure 7.5f: Lease Status Trending

Measure Description	Target	Actual %	Actual #
Expired leases	0%	34%	23 / 769

Leases in final negotiations within 3 months	90%	42%	15 / 36
Leases in final negotiations within 6 months	70%	23%	4 / 19

Figure 7.5g: Expired Leases & Timely Renewals

7.6 Accomplishment of Strategy and Action Plans

GA’s tracked performance measures are integrated into the agency’s strategic plan and the business and action plans, as detailed in 2.b. The following charts show cross-agency program contributions to the agency strategic plan for sustainability and represent the variety of ways GA programs contribute to a common goal.

General Administration has provided a recycling service for over a decade. In 2007, 58% of the total waste, or nearly 1,200 tons, were recycled. This is an increase from 54% in 2006. Figure 7.6a shows the amounts of both “landfill” refuse and recyclable waste, as well as the total combined matter that GA handled. This growing amount, particularly in the area of recyclables, has been integral in GA’s strategic initiatives for sustainability.

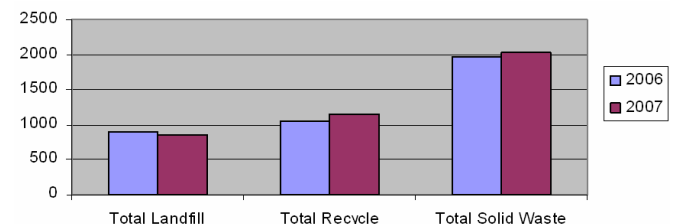


Figure 7.6a: B&G Solid Waste Trends

GA buys hybrid vehicles, resulting in a 40% to 60% reduction in fuel consumption. The Motor Pool fleet currently consists of 22% hybrid vehicles and is increasing. Figure 7.6b shows the number of gallons of fuel saved over the life of the vehicles by using hybrids in conjunction with GA’s strategic goals for sustainability.

Sedan Model	Fuel usage in Gallons (75,000 miles)	Gallons per vehicle saved
Malibu	3,125	
Prius	1,250	1,875
Small SUV		
Escape	3,571	
Escape Hybrid	2,273	1,298

Figure 7.6b: Gasoline Vs. Hybrid Fuel Usage

GA can help its customers meet their sustainability objectives by creating contracts that include environmentally preferred products and manufacturing practices. While we fell short of our goal in 2006, a revision to the business plan and emphasis

in 2007 has yielded results that exceed the goal by an expected 100%, as displayed in Figure 7.6c.

GA's Surplus program takes in and disposes of state agency excess property. The sustainability objective is to keep this material out of the landfill. Figure 7.6d shows that year over year reductions of "landfill" waste in excess of 15% have occurred.

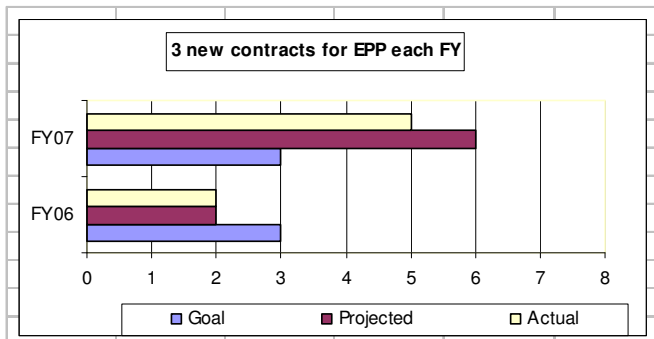


Figure 7.6c: Number of new contracts for environmentally preferred products

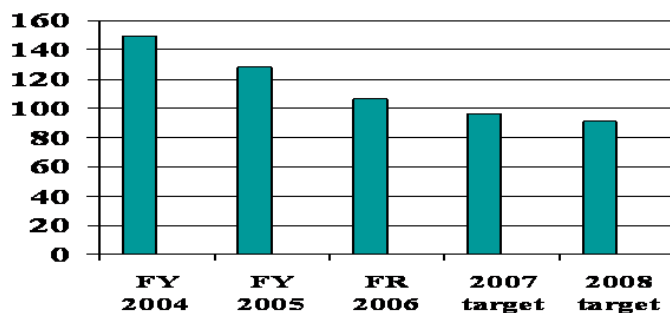


Figure 7.6d: State Surplus Landfill in Tons